



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-523-811]

Certain Polyethylene Terephthalate Resin from the Sultanate of Oman: Final Negative Countervailing Duty Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Department) determines that countervailable subsidies are not being provided to producers and exporters of certain polyethylene terephthalate resin (PET resin) from the Sultanate of Oman (Oman). Specifically, the Department determines that the subsidy programs reviewed in this investigation do not yield an aggregate net countervailable subsidy rate above a *de minimis* level (*i.e.*, one percent *ad valorem*). The period of investigation is January 1, 2014 through December 31, 2014.

DATES: *Effective Date*: [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Thomas Martin, Office IV, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3936.

SUPPLEMENTARY INFORMATION:

Background

Petitioners in this investigation are DAK Americas, LLC, M&G Chemicals, and Nan Ya Plastics Corporation, America, (collectively, Petitioners). In addition to the Government of the Sultanate of Oman (GSO), the mandatory respondent in this investigation is OCTAL SAOC - FZC and OCTAL Holding SAOC (collectively, OCTAL).

The events that have occurred since the Department published the *Preliminary Determination*¹ on August 14, 2015 are discussed in the Issues and Decision Memorandum, which is hereby incorporated in this notice.² This memorandum also details the changes we made since the *Preliminary Determination* to the subsidy rates calculated for the mandatory respondent. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed Issues and Decision Memorandum and the electronic version of the Issues and Decision Memorandum are identical in content.

As explained in the memorandum from the Acting Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government. All deadlines in this segment of the proceeding have been extended by four business days. The revised deadline for the final determination is now March 4, 2016.³

¹ See *Certain Polyethylene Terephthalate Resin From the Sultanate of Oman: Preliminary Negative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination*, 80 FR 48808 (August 14, 2015) (*Preliminary Determination*).

² See Memorandum to Paul Piquado, "Countervailing Duty Investigation of Certain Polyethylene Terephthalate resin from the Sultanate of Oman: Issues and Decision Memorandum for the Final Negative Determination" (March 4, 2015) (Issues and Decision Memorandum).

³ See Memorandum to the Record from Ron Lorentzen, Acting Assistant Secretary for Enforcement & Compliance, regarding "Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas," dated January 27, 2016.

Scope of the Investigation

The merchandise covered by this investigation is PET resin. The merchandise subject to this investigation is properly classified under subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive. For a complete description of the scope of this investigation, *see* Appendix I.

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum, dated concurrently with this notice. A list of the issues that parties raised, and to which we responded in the Issues and Decision Memorandum, is attached to this notice as Appendix II.

Final Determination

We determine the countervailable subsidy rates to be:

Company	Subsidy Rate
OCTAL SAOC - FZC and OCTAL Holding SAOC	0.59 percent (<i>de minimis</i>) ⁴

Because the total estimated net countervailable subsidy rate for the examined company is *de minimis*, we determine that countervailable subsidies are not being provided to producers or exporters of PET resin from Oman. We did not calculate an all-others rate pursuant to sections 705(c)(1)(B) and (c)(5) of the Tariff Act of 1930, as amended (the Act) because we did not reach an affirmative final determination. Because our final determination is negative, this proceeding is terminated in accordance with section 705(c)(2) of the Act.

⁴ In accordance with section 703(b)(4) of the Act, we are disregarding *de minimis* subsidies for the purposes of this final determination.

In the Preliminary Determination, the total net countervailable subsidy rate for the individually examined respondent was *de minimis* and, therefore, we did not suspend liquidation of entries of PET resin from Oman. Because the estimated subsidy rates for the examined company is *de minimis* in this final determination, we are not directing U.S. Customs and Border Protection to suspend liquidation of entries of PET resin from Oman.

International Trade Commission (ITC) Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our final determination. Because our final determination is negative, this investigation is terminated.

Return or Destruction of Proprietary Information

This notice serves as the only reminder to parties subject to the administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act.

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

Dated: March 4, 2016.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is polyethylene terephthalate (PET) resin having an intrinsic viscosity of at least 0.70, but not more than 0.88, deciliters per gram. The scope includes blends of virgin PET resin and recycled PET resin containing 50 percent or more virgin PET resin content by weight, provided such blends meet the intrinsic viscosity requirements above. The scope includes all PET resin meeting the above specifications regardless of additives introduced in the manufacturing process. The merchandise subject to this investigation is properly classified under subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

Tariff Liability Issues

- Comment 1: Whether the Absence of Duty Liability Based on OCTAL's Location in the SFZ Is a Countervailable Subsidy
- Comment 2: Whether Petitioners' Subsidy Allegations Regarding OCTAL's Tariff Exemptions Were Properly Alleged

Provision of Land for Less than Adequate Remuneration (LTAR) Issues

- Comment 3: Whether the Department Should Recalculate the Land for LTAR Rate with a Revised Benchmark
- Comment 4: Whether the Provision of Land for LTAR to OCTAL Is an Export Subsidy
- Comment 5: Whether The Department Should Recalculate the Land for LTAR Rate to Adjust for OCTAL's Expenses to Develop the Land

Provision of Infrastructure for LTAR Issues

- Comment 6: Whether the Department Should Continue to Find that OCTAL Benefited from GSO Non-General Infrastructure Funding in The Salalah Free Zone (SFZ)
- Comment 7: Whether GSO Non-General Infrastructure Funding in the SFZ Is An Export Subsidy
- Comment 8: Whether the Department Miscalculated the GSO Non-General Infrastructure Funding Subsidy

Provision of Electricity for LTAR Issues

- Comment 9: Whether the Department Should Revise Its Electricity for LTAR Benchmark
- Comment 10: Whether the Provision of Electricity for LTAR Is Specific

Miscellaneous Issues

- Comment 11: Whether the Department Should Countervail OCTAL's Lease with Salalah Port Services Company SAOG (SPSC).
- Comment 12: Whether The Department Should Have Investigated Other Potential Countervailable Subsidies